

Testimony of

**Deb Polun, Legislative Director**  
Connecticut Commission on Aging

*Senate Bill 1144: An Act Concerning Flexible Work Schedules and  
Telecommuting Options for State Employees*

Government Administration and Elections Committee

March 23, 2009

Thank you for this opportunity to comment today on an issue of import to older adults, families with children and to the effective, efficient administration of state government.

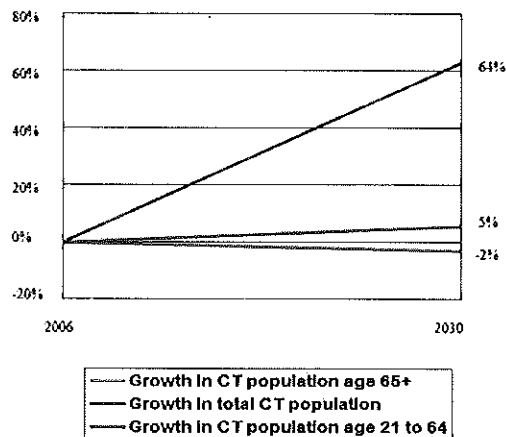
As you know, the Connecticut Commission on Aging is an independent, nonpartisan state agency that is part of the legislative branch of government. We are devoted to preparing our state for a burgeoning aging population while promoting policies that enhance the lives of the present and future generations of older adults. For fifteen years, the Commission has served as an effective leader in statewide efforts to promote choice, independence and dignity for Connecticut's older adults and persons with disabilities.

In these difficult budget times, research-based initiatives, statewide planning efforts, vision and creative thinking are all needed and provided by the Connecticut Commission on Aging. We pledge to continue to assist our state in finding solutions to our fiscal problems, while keeping its commitments to critical programs and services.

Senate Bill 1144 provides a series of options designed to foster workplace flexibility for Connecticut state employees. These options are:

- Section 1: voluntary schedule reduction
- Section 2: flexible work hours
- Section 3: phased-in retirement
- Section 4: telecommuting

The proposal is the result of a series of research reports prepared by the Connecticut Commission on Aging about how retirement has been and will continue to be redefined, particularly as the Baby Boomers age. The Redefining Retirement Years initiative was launched in 2006 in keeping with the Commission's statutory mandate to assess emerging issues affecting Connecticut's present and future generations of older adults. With medical advances, individuals are now living longer, higher quality lives, long past the standard age of retirement. Our work and national studies show that retirement is no longer only about golf and relaxation; most retirees want to stay engaged in their communities, and many want or need to continue to work, albeit with a great deal more flexibility.



Focus groups that the Commission ran in 2006 in partnership with the state Department of Labor and the Connecticut Employment and Training Commission examined the changing demographic of the state's public and private workforce. The research showed that older adults are looking for shorter work weeks, durational projects or other flexible options, instead of rigid daily work schedules, five days a week, fifty weeks a year. Importantly, older adults have institutional knowledge and expertise that is difficult to replace. Private companies who have offered flexible schedules for their workers have seen lower turnover, less use of sick leave, increased employee productivity and improved morale—and significant cost savings.

This past year, we enlisted Tiffany Hubbard, a UConn Law student, to conduct a comprehensive analysis of workforce flexibility in the private sector, common myths, other states' initiatives, current Connecticut law and the benefits of adopting a culture of workplace flexibility in Connecticut. Ms. Hubbard's research uncovered a variety of initiatives in other states, such as Florida, Virginia and Arizona, which were the basis for this proposal.

State government, as the largest employer in the state of Connecticut, should lead by example. According to the state Department of Administrative Services, 39.1% of executive branch employees will be eligible for retirement in just four years. Some of these employees have enormous, irreplaceable knowledge. What has happened to date is that state employees retire, and when the agency decides that their knowledge and expertise are still needed, the employees are hired back for a short time; this has led to public and media outrage over "double dipping."

But this "double dipping" does not need to occur. We can design our personnel policies to facilitate the types of workplace flexibility that we know older adults want and which will help our state plan better moving forward—and save the state money.

Senate Bill 1144 contains four innovative ideas. First, a voluntary schedule reduction initiative would allow individuals of all ages to be more productive during their working hours and, with supervisor approval, to gain more hours of time for themselves and their families. Employees would, of course, have their salaries proportionally reduced. The second initiative calls for flexible work schedules, again with supervisor approval. Although many jobs done by state employees must be done during set hours, many other tasks (such as report writing) could be done when more convenient for employees.

These first two initiatives, although designed with older workers in mind, would certainly benefit younger employees with families as well.

The third initiative is an innovative idea that could result in significant cost savings, without the loss of knowledge that is inherent to an Early Retirement Incentive Program. The "phased-in retirement" initiative would allow employees within five years of retirement to reduce their hours to begin their transition to a new lifestyle, and hopefully, to begin succession planning for the agency once they have departed. Under this initiative, employees would still accrue retirement benefits as if they had not reduced their hours; the state would save money during the employees' last few years of tenure with the agency. This is a win-win proposal that should be on the table right now, as our state struggles with an enormous budget gap.

Finally, offering greater options for telecommuting would bring the state on board with an initiative that many private companies in Connecticut and across the nation have embraced. In fact, Telecommute Connecticut! is a state government initiative, publicly endorsed by Governor Rell, to encourage and facilitate telecommuting options for private companies; yet, telecommuting options for state employees remain extremely limited.

We ask for your support of these initiatives, which, in addition to helping older adults continue to be productive, also come with significant cost savings attached. Our estimates are that if only 7% of the state workforce agreed to a 10% schedule reduction, the state could save over \$22 million annually.

We would be most pleased to work with this committee and other interested parties on this legislation moving forward. If you have any questions, please do not hesitate to contact the Commission office, at (860) 240-5200.

Thank you for your time and for your consideration of this important issue.



## How Can CT Save 22 Million Dollars Annually?

### Offer Options for Flexible Work Schedules for State Employees

#### **Background:**

Many older adults are “redefining retirement;” many need or want to work, but often on a reduced or alternative work schedule. Private companies who have offered flexible schedules for their workers have seen lower turnover, less use of sick leave, increased employee productivity and improved morale—and significant cost savings.

**An older workforce:** As of June 2008, 17.7% of State of Connecticut executive branch employees were eligible for retirement. By 2013, 39.1% will be eligible for retirement (DAS).

#### **Lead by example:**

State government, as the largest employer in the State of Connecticut (with over 55,000 active employees), should adopt worker-friendly initiatives that provide flexibility for workers, while ensuring that their work is completed on time and with high quality.

#### **Options for the State of Connecticut** (all would need supervisor or Dept. Head approval):

- 1) *voluntary schedule reductions* – employee chooses to reduce work hours and take corresponding salary reduction (job would be reclassified with fewer hours).
- 2) *flexible work schedules* – employee keeps the same number of hours, but is allowed nontraditional scheduling, such as Monday-Friday 7:00 am-3:30 pm, four ten-hour days, or other options.
- 3) *phased-in retirement* – employees within 5 years of retirement eligibility voluntarily reduce their schedule, as above; pension would be determined by full-time salary equivalent. (State savings occur during employment, but not after retirement).
- 4) *increased telecommuting availability* – employees are offered greater opportunities for telecommuting (as encouraged by Governor Rell and other policymakers for private companies through the Telecommute Connecticut! Program).

#### **Benefits:** In addition to the benefits cited above, these options:

- 1) can help older workers stay employed, utilizing their expertise and institutional knowledge;
- 2) can reduce traffic and help the environment by reducing air pollution and greenhouse gas emissions; and,
- 3) **can save the state money:** if 7% of the state workforce agreed to a 10% schedule reduction, the state could save over \$22 million annually.\* Energy savings also would be realized.

#### **Other States' Experiences** (a sample):

**New Mexico:** has an executive order for “telework” & alternative work schedules.

**Arizona:** More than 20% of the state workforce telecommutes; several state statutes and an executive order encourage telecommuting & alternative work schedules.

**Florida:** allows telecommuting, part-time and phased-in retirement.

**Virginia:** executive orders and statutes address telecommuting and aggressive implementation of alternative work schedules.

**Utah:** recently mandated a ten-hour, four-day work week for most state employees.

\* Average executive branch employee salary is \$64,019.